



Federal Communications Commission  
Washington, D.C. 20554

Adopted: January 17, 2003  
Released: January 17, 2003

Ms. Michelle A. Thomas  
Executive Director – Federal Regulatory  
SBC Telecommunications, Inc.  
1401 I Street, NW, Suite 1100  
Washington, DC 20005

RE: *SBC/Ameritech Merger Order*, CC Docket No. 98-141

Dear Ms. Thomas:

This letter addresses SBC Telecommunications, Inc.'s (SBC) request<sup>1</sup> to continue using a 120-minute benchmark for returning 95 percent of Firm Order Confirmations (FOCs) for electronically submitted orders (PM1) under the Carrier-to-Carrier Performance Plan (Performance Plan).<sup>2</sup> On June 11, 2002, I granted SBC's prior request not to be required to implement the Texas-approved benchmark until January 1, 2003, absent further action by the Bureau.<sup>3</sup> For the reasons provided herein, I grant SBC's new request not to utilize the Texas-approved benchmark, pursuant to the *SBC/Ameritech Merger Order*.<sup>4</sup>

In the June 11 letter, I relied on several factors to grant SBC's prior request.<sup>5</sup> First, I stated that I was particularly compelled by the commercial acceptance by competitive LECs in the Ameritech states of a 120-minute benchmark in lieu of the Texas-approved 60 minute benchmark and SBC's commitment to meet the 120-minute benchmark in the Ameritech region.<sup>6</sup> While the merger conditions were designed to bring the benefits of "best practices" adopted by the Texas Commission throughout the SBC region, I was persuaded to make a limited exception in this instance because SBC had reached agreement with its wholesale customers through the collaborative process in the Ameritech states on this issue. Second, I

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<sup>1</sup> Letter from Michelle A. Thomas, Executive Director, SBC Telecommunications, Inc. to Carol E. Matthey, Deputy Chief, Wireline Competition Bureau, Federal Communications Commission, CC Docket No. 98-141 (filed December 19, 2002) (SBC December 19 Letter).

<sup>2</sup> The Performance Plan was adopted in the *SBC/Ameritech Merger Order*. *Applications of Ameritech Corp., Transferor, and SBC Communications, Inc., Transferee, For Consent to Transfer Control of Corporations Holding Commission Licenses and Lines Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 5, 22, 24, 25, 63, 90, 95, and 101 of the Commission's Rules*, CC Docket 98-141, Memorandum Opinion and Order, 14 FCC Rcd 14712, App. C, Attach. A (1999) (*SBC/Ameritech Merger Order* or *Merger Order*). The Performance Plan requires SBC to report performance measurement data to the Commission each month, and to make payments to the United States Treasury should it fail to meet certain performance standards. *Merger Order*, 14 FCC Rcd 15000, para. 23.

<sup>3</sup> Letter from Carol E. Matthey, Deputy Chief, Wireline Competition Bureau to Caryn D. Moir, Vice President-Federal Regulatory, CC Docket 98-141 (rel. June 11, 2002) (WCB June 11 Letter).

<sup>4</sup> *SBC/Ameritech Merger Order*, 14 FCC Rcd 14712, Attach. A, para. 4.

<sup>5</sup> WCB June 11 Letter at 1.

<sup>6</sup> See Letter from Caryn D. Moir, Vice President, Federal Regulatory, SBC to Carol Matthey, Deputy Chief, Common Carrier Bureau, Federal Communications Commission, CC Docket No. 98-141 at 1 (filed June 5, 2002) (SBC June 5 Letter).

recognized that SBC's ability to meet the shorter 60-minute benchmark depends, in part, on how quickly its wholesale customers migrate to the updated OSS in the Ameritech region. In its prior request, SBC stated that although it successfully completed its implementation of a uniform and enhanced OSS Plan of Record for Ameritech on April 24, 2002, SBC maintained an older version of software even after releasing a subsequent version of such software so that two versions are available to wholesale customers (a practice known as "versioning").<sup>7</sup> My prior decision recognized that even though SBC upgraded its OSS capabilities, that would not necessarily result in improved performance for FOC timeliness if wholesale customers continue to use the older OSS.

In its request for a further extension, SBC states that the same factors that warranted the initial extension still exist. SBC explains that it continues to provide competitive LECs the option of using the older LSOG4 or the upgraded LSOG5 so that competitive LECs can migrate to the new system at a pace that they determine. Such versioning is designed to avoid any disruption or otherwise adversely impact the competitive LECs.<sup>8</sup> SBC asserts that competitive LECs have yet to migrate to LSOG5 in a substantial manner. For example, SBC states that 85 percent of the transactions it received in October 2002 were processed via LSOG4.<sup>9</sup> According to SBC, once it implements the next major upgrade, LSOG6, competitive LECs will be completely migrated from LSOG4, and its systems likely will be able to support a stricter benchmark.<sup>10</sup>

Based on the information provided by SBC, I conclude that the factors that supported my approval of SBC's prior request continue to exist. I therefore grant SBC's request to continue measuring its performance in the Ameritech region using the 120-minute benchmark for PM1 and calculate any voluntary payments accordingly.

If SBC disagrees with any of this letter's guidance, it may file an application for review with the Commission pursuant to section 1.115 of the Commission's rules.<sup>11</sup>

Please do not hesitate to contact me if I can be of further assistance. In addition, you may contact Bill Dever, Assistant Division Chief, Competition Policy Division in the Wireline Competition Bureau at (202) 418-1578.

Sincerely,

Carol E. Matthey  
Deputy Chief, Wireline Competition Bureau

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<sup>7</sup> Letter from Caryn D. Moir, Vice President, Federal Regulatory, SBC to Carol Matthey, Deputy Chief, Common Carrier Bureau, Federal Communications Commission, CC Docket No. 98-141 at 1-2 (filed April 26, 2002).

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> 47 C.F.R. § 1.115.